

☎ 07 4783 1988

📍 112 Airdmillan Road, Ayr

✉ PO Box 720, Ayr Qld 4807

✉ admin@lowerburdekinwater.com.au

🌐 www.lowerburdekinwater.com.au

ABN 42 671 751 039

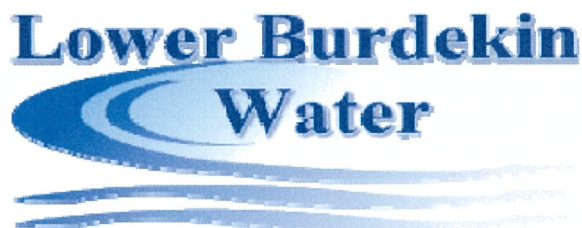
LOWER BURDEKIN WATER

FINANCIAL STATEMENTS

2023/24 DISCLAIMER

The information contained in the annual financial statements and website is for general information purposes only and are not to be used as an official copy. A hard copy of the annual financial statements can be obtained from the Lower Burdekin Water Ayr Office at 112 Airdmillan Road, Ayr Queensland, 4807.

LOWER BURDEKIN WATER FINANCIAL STATEMENTS 2023-24



General Information

These financial statements and financial report cover Lower Burdekin Water (the Authority).

The Authority is a Statutory Body governed under the *Water Act 2000*. The Statutory Body is controlled by the State of Queensland, which is the ultimate parent.

The office and principal place of business is:
112 Airdmillan Road
AYR QLD 4807

A description of operations and principal activities is included in the notes to the financial statements. Lower Burdekin Water was established as the new alternative institutional structure on the 18 February 2015 following the dissolution of the previous category two water boards known as the North Burdekin Water Board and the South Burdekin Water Board.

For information in relation to the Authority's Financial Report please contact Susan Ogden on phone at Ayr Office 07 4783 1988, email susan.ogden@lowerburdekinwater.com.au or visit the Authority's website www.lowerburdekinwater.com.au.

LOWER BURDEKIN WATER
For the year ended 30 June 2024

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LOWER BURDEKIN WATER
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2024

	Notes	2024 \$	2023 \$
Revenue			
User charges and fees	B1-1	10,034,692	8,417,916
Other income	B1-2	69,069	58,040
Grants and other contributions	B1-3	1,761,836	1,646,229
Interest Earned from Cash Management			
Interest income	B1-4	348,168	265,433
Total Revenue		12,213,765	10,387,618
Gain on disposal	B1-5	2,000	134,459
Total Revenue and Other Income		12,215,765	10,522,077
Expenses			
Employee expenses	B2-1	2,029,255	2,084,599
Supplies and services	B2-3	3,813,485	3,993,013
Depreciation expense	C5	2,140,944	2,126,718
Loss on disposal		26,632	166,499
Total Expenses		8,010,315	8,370,829
Operating Result from Operations		4,205,451	2,151,248
Other Comprehensive Income			
Increase (decrease) in asset revaluation surplus	C10	16,737,891	3,351,902
Total Other Comprehensive Income		16,737,891	3,351,902
Total Comprehensive Income		20,943,342	5,503,150

The accompanying notes form part of these statements.

LOWER BURDEKIN WATER
STATEMENT OF FINANCIAL POSITION
As at 30 June 2024

	Notes	2024 \$	2023 \$
Current Assets			
Cash and cash equivalents	C1	10,995,521	12,067,389
Receivables	C2	908,356	546,973
Contract assets	C3	16,600	0
Inventories		116,017	83,378
Other current assets		24,250	21,806
Total Current Assets		12,060,744	12,719,547
Non Current Assets			
Intangible assets	C4	4,500,000	4,500,000
Property, plant and equipment	C5	87,235,403	66,504,176
Total Non Current Assets		91,735,403	71,004,176
Total Assets		103,796,147	83,723,723
Current Liabilities			
Payables	C6	1,498,557	1,668,084
Borrowings	C7	247,988	247,988
Provision for employee benefits	C8	526,129	694,082
Other current liabilities	C9	140,168	421,593
Total Current Liabilities		2,412,843	3,031,747
Non Current Liabilities			
Borrowings	C7	4,942,730	5,190,808
Provision for employee benefits	C8	1,031	4,967
Total Non Current Liabilities		4,943,762	5,195,775
Total Liabilities		7,356,605	8,227,522
Net Assets		96,439,544	75,496,202
Equity			
Contributed equity		49,474,216	49,474,216
Accumulated surplus		14,666,436	10,460,988
Asset revaluation surplus	C10	32,298,892	15,561,001
Total Equity		96,439,544	75,496,202

The accompanying notes form part of these statements.

LOWER BURDEKIN WATER
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2024

	Contributed Equity	Accumulated Surplus	Asset Revaluation Surplus (Note C-10)	Total
	\$	\$	\$	\$
Balance as at 1 July 2022	49,474,216	8,309,736	12,209,099	69,993,051
Operating Result from Operations	-	2,151,248	-	2,151,248
<i>Other Comprehensive Income</i>				
- Increase in asset revaluation surplus	-	-	3,351,902	3,351,902
Total Comprehensive Income for the year 2023	-	2,151,248	3,351,902	5,503,150
Balance as at 30 June 2023	49,474,216	10,460,984	15,561,001	75,496,202
Balance as at 1 July 2023	49,474,216	10,460,984	15,561,001	75,496,202
Operating Result from Operations	-	4,205,451	-	4,205,451
<i>Other Comprehensive Income</i>				
- Increase in asset revaluation surplus	-	-	16,737,891	16,737,891
Total Comprehensive Income for the year 2024	-	4,205,451	16,737,891	20,943,342
Balance as at 30 June 2024	49,474,216	14,666,436	32,298,892	96,439,544

The accompanying notes form part of these statements.

LOWER BURDEKIN WATER
STATEMENT OF CASH FLOWS
For the year ended 30 June 2024

	Notes	2024 \$	2023 \$
Cash Flows from Operating Activities			
<i>Inflows:</i>			
User charges and fees		9,805,587	9,168,154
Other income		69,069	58,040
Grants and other contributions		1,405,000	1,646,229
Interest income		348,168	265,433
GST input tax credits from ATO		674,970	815,925
GST collected from customers		343,754	438,863
<i>Outflows:</i>			
Employee expenses		(2,361,898)	(2,152,207)
Supplies and services		(3,835,836)	(3,564,453)
GST remitted to ATO		(62,751)	(180,719)
GST paid to suppliers		(997,357)	(1,005,974)
Net Cash Provided by (used in) Operating Activities	CF1	<u>5,388,704</u>	<u>5,489,291</u>
Cash Flows from Investing Activities			
<i>Inflows:</i>			
Proceeds from property, plant & equipment		(24,632)	395,774
<i>Outflows</i>			
Payments for property, plant & equipment		(6,187,864)	(6,326,906)
Net Cash Provided by Investing Activities		<u>(6,212,495)</u>	<u>(5,931,132)</u>
Cash Flows from Financing Activities			
<i>Inflows:</i>			
Proceeds from borrowings		-	-
<i>Outflows:</i>			
Repayment of Borrowings		(248,077)	(242,282)
Net Cash Provided by (used in) Financing Activities		<u>(248,077)</u>	<u>(242,282)</u>
Net increase (decrease) in cash and cash equivalents		(1,071,868)	(684,123)
Cash and cash equivalents at beginning of financial year		12,067,389	12,751,514
Cash and cash equivalents at End of Financial Year	C1	<u>10,995,521</u>	<u>12,067,389</u>

The accompanying notes form part of these statements.

LOWER BURDEKIN WATER
For the year ended 30 June 2024

A1 - Basis of Financial Statement Preparation

A1-1 General Information about the Reporting Entity

These financial statements have been prepared in compliance with the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019, section 39*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2023.

These financial statements are general purpose financial statements, and have been prepared on an accrual basis (with the exception of the statement of cash flows which is prepared on a cash basis) in accordance with Australian Accounting Standards - Simplified Disclosures and Interpretations.

With respect to compliance with Australian Accounting Standards and Interpretations, the Authority has applied those requirements applicable to not-for-profit entities, as the Authority is operated on a not-for-profit basis. Except where stated, the historical cost convention is used.

A1-2 Presentation

Currency and Rounding - Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1, unless disclosure of the full amount is specifically required.

Comparatives - Comparative information reflects the audited 2022-23 financial statements.

Current/Non-Current Classification - Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes. Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or the Authority does not have an unconditional right to defer settlement to beyond 12 months after the reporting date. All other assets and liabilities are classified as non-current.

A1-3 Basis of Measurement

Historical cost is used as the measurement basis in this financial report except for the following:

Land, buildings, infrastructure which are measured at fair value and plant and equipment which is measured at cost; Provisions expected to be settled 12 or more months after reporting date which are measured at their present value; and Inventories which are measured at the lower of cost and net realisable value.

Historical Cost

Under historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique. Fair value is determined using one of the following three approaches:

- The market approach uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business.
- The cost approach reflects the amount that would be required currently to replace the service capacity of an asset. This method includes the current replacement cost methodology.
- The income approach converts multiple future cash flows amounts to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts. Where fair value is used, the fair value approach is disclosed.

Present Value

Present value represents the present discounted value of the future net cash inflows that the item is expected to generate (in respect of assets) or the present discounted value of the future net cash outflows expected to settle (in respect of liabilities) in the normal course of business.

Net Realisable Value

Net realisable value represents the amount of cash or cash equivalents that could currently be obtained by selling an asset in an orderly disposal.

LOWER BURDEKIN WATER
For the year ended 30 June 2024

A1-4 The Reporting Entity

The Authority does not control other entities. The financial statements include the value of all income, expenses, assets, liabilities and equity for the Authority as an individual entity.

A1-5 Contributed Equity

Contributed equity as at 30 June 2024 includes the net assets of Lower Burdekin Water's predecessor entities (North Burdekin Water Board and South Burdekin Water Board) which were abolished on 18 February 2015 and their net assets transferred to Lower Burdekin Water.

A1-6 Taxation

The Authority is a statutory body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by Lower Burdekin Water. GST credits recoverable from, and GST payable to the Australian Taxation Office (ATO), are recognised as receivables and payables, respectively, on the statement of financial position (refer to Note C2).

A1-7 Authorisation of Financial Statements for Issue

The financial statements are authorised for issue by the Chairman and Executive Officer at the date of signing the Management Certificate.

A1-8 Accounting Estimates and Judgements

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have the potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions with the most significant effect on the financial statements are outlined in the following notes:

Receivables - Note C2
Payables - Note C6
Provisions - Notes C8
Valuation of Property, Plant and Equipment - Note C5

Further, the matters covered in each of those notes (except for Depreciation) necessarily involve estimation uncertainty with the potential to materially impact on the carrying amount of the Authority's assets and liabilities in the reporting period. Reference should be made to the respective notes for more information.

A1-9 New and Revised Accounting Standards

No new accounting standards or interpretations that apply to The Authority for the first time in 2023-24 had any material impact on the financial statements.

A1-10 Future Impact of Accounting Standards Not Yet Effective

Accounting Standard AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

The amendments set out in this Standard apply to entities and financial statements in accordance with the application of AASB 13 set out in AASB 1057 Application of Australian Accounting Standards.

This Standard applies to annual periods beginning on or after 1 January 2025. This Standard may be applied to annual periods beginning before 1 January 2025.

This Standard specifies that, if both the market selling price of a comparable asset and some market participant data required to measure the fair value of the asset are not observable, an entity uses its own assumptions as a starting point in developing unobservable inputs and adjusts those assumptions to the extent that reasonably available information indicates that other market participants (including, but not limited to, other not-for-profit public sector entities) would use different data; and provides guidance on how the cost approach is to be applied to measure the asset's fair value, including guidance on the nature of costs to include in the replacement cost of a reference asset and on the identification of economic obsolescence.

At the date of authorisation of the financial report Australian Accounting Standard 2022-10 will have an impact in future financial periods.

LOWER BURDEKIN WATER
For the year ended 30 June 2024

B1 - Revenue	2024 \$	2023 \$
B1-1 User Charges and Fees		
Area Charge - Cane Grower	3,957,667	3,856,784
Area Charge - Cane Miller	1,957,367	1,900,118
Area Charge - Other Crops	245,511	247,519
Open Water Levies	2,729,551	1,689,243
Open Water Excess	112,803	16,366
Open Water River Base	19,531	19,111
Commercial Water	108	52
External Water Sales South	840,807	461,435
External Water Sales West	42,995	40,677
Sale of Structures	50	5,000
Burdekin Shire Council Levies	122,849	181,612
Licence/New Meter Fees	5,455	-
Total	10,034,692	8,417,916

Accounting Policy

Sale of Services

Area charges relate to annual rates on ratepayer's land in the authority area in relation to a water service, these charges are issued at the start of the financial year. Open water and all other water related charges involve the supply of water for irrigation, commercial, stock and domestic purposes. These charges are invoiced in arrears based on the volume of water taken.

Sale of Goods

Revenue from sale of goods comprising of structures used for transporting water i.e. culverts, flow meters used for recording water usage and surplus equipment no longer required by the Authority and is invoiced in arrears.

B1-2 Other Income

Administration Charge	500	1,150
Sundry Income	17,072	6,157
Fuel Tax Credit Income	51,497	50,733
Total	69,069	58,040

Accounting Policy

Sale of Services

The hire of equipment is only charged when performing scheduled capital and maintenance based works in connection with the Authorities infrastructure only and is invoiced in arrears. Administration charges - on completion of the requested service and license fees and is

B1-3 Grants and Other Contributions

Specific purpose capital grants	1,761,836	1,646,229
Total	1,761,836	1,646,229

Accounting Policy

Grants, contributions and donations are non-reciprocal transactions where the Authority does not directly give approximately equal value to the grantor.

Where the grant agreement is enforceable and contains sufficiently specific performance obligations for the Authority to transfer goods or services to a third-party on the grantor's behalf, the transaction is accounted for under AASB 15 *Revenue from Contracts with Customers*. In this case, revenue is initially deferred (as a contract liability) and recognised as or when the performance obligations are satisfied.

Otherwise, the grant is accounted for under AASB 1058 *Income of Not-for-Profit Entities*, whereby revenue is recognised upon receipt of the grant funding, except for special purpose capital grants received to construct non-financial assets to be controlled by the Authority. Special purpose capital grants are recognised as contract liability when received, and subsequently recognised progressively as revenue as the Authority satisfies its obligations under the grant through construction of the asset.

B1-4 Interest Income

Interest Received - Online Fund	11,190	23,866
Interest Received - Entitlement Fund	36,107	13,416
Interest Received - Northern Development Fund	246,956	174,993
Interest Received - Southern Development Fund	48,452	46,727
Interest Received - Overdue Accounts	5,463	6,430
Total	348,168	265,433

B1-5 Gains on disposal/remeasurement of assets

Net gains from disposal of property, plant and equipment	2,000	134,459
Total	2,000	134,459

LOWER BURDEKIN WATER
For the year ended 30 June 2024

B2 - Expenses

B2-1 Employee Expenses

Employee Benefits

Wages and Salaries	1,481,662	1,529,256
Superannuation	251,562	241,168
Annual Leave Expense	70,481	69,086
Long Service Leave Expense	13,883	43,166

Employee Related Expenses

Workers Compensation	6,146	3,298
Payroll Tax	24,499	35,697
Other	181,022	162,928
Total	2,029,255	2,084,599

The number of employees as at 30 June 2024 including both full-time employees and part-time employees measured on a full-time equivalent basis is:

	2024	2023
Number of Employees	19	19

Accounting Policy

Employer superannuation contributions, annual leave and long service leave payments are regarded as employee benefits.

Payroll tax and workers' compensation insurance are a consequence of employing employees, but is not included as part of employees' total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Wages, Salaries, and Personal leave

Wages and salaries due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rates.

Superannuation

Employer superannuation contributions are paid to the employee's nominated superannuation fund. Contributions are expensed in the period in which they are paid. This liability is treated as a creditor of the Authority and no provision is shown in the financial statements.

Key Management Personnel and Remuneration

Key management personnel and remuneration disclosures are made in accordance with Section 5 to the Financial Reporting Requirements for Queensland Government Agencies issued by Queensland Treasury. Refer to Remuneration Note for the disclosures on key management personnel and remuneration.

	2024 \$	2023 \$
Remuneration of Board Members		
Board Members		
Payments in respect of attendance at Meetings	21,640	32,280
Total Payments to Board Members	<u>21,640</u>	<u>32,280</u>
Board Members whose income was within the following bands:		
Earnings in the range \$0 - \$5,000	8	5
Earnings in the range \$5,001 - \$15,000	0	3
Earnings in excess of \$15,001	0	0

Details of Key Management Personnel

The following details for key management personnel include those Water Authority positions that had authority and responsibility for planning, directing and controlling the activities of the Water Authority during 2023-24 and 2022-23.

Position	Position Responsibility
Chairperson	The strategic leadership, guidance and effective oversight of the management of the Board, including its operational and financial performance.
Board Member	Responsible for the strategic leadership and direction of the Board.
Executive Officer	Responsible for the day to day operations, finances, governance and due diligence of the Authority.
Operations Manager	Responsible for maintaining all plant and equipment, maintaining aquifers and providing entitlement holders with surface water when requested.
Finance Manager	Responsible for providing high quality, consistent and cost effective financial services to all the Authority's functional areas.

LOWER BURDEKIN WATER
For the year ended 30 June 2024

Remuneration Expenses

Board members receive payment for attendance at Board Meetings and Special Assignments where they attend a meeting or conference on behalf of the Water Authority.

Category 2 Water Authorities		
Position	Meetings more than four hours duration	Meetings fewer than four hours duration
Chairperson	\$520	\$260
Director / Member	\$400	\$200

The chairperson and directors are entitled to be paid allowances while travelling on approved business and attending meetings in accordance with the following arrangements:

- economy class air travel,
- motor vehicle allowances prescribed in Motor Vehicle Allowances Directive No. 20/16, and
- travelling expenses prescribed in Domestic Travelling and Relieving Expenses Directive No 01/23.

	2024	2023
	\$	\$
Chairperson	1,425.00	-
Trustee	-	-
Member	-	-
Total	1,425.00	-

Key Executive Management Personnel

The following details for key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the Authority for the 2023-24 period. Further information on these positions can be found in the body of the Annual Report under the Section relating to Executive Management.

Position	Current Incumbents*	
	Contract classification and	Date appointed to position
Executive Officer	Salary	Appointed 4/06/2012
Operations Manager	Salary	Appointed 28/08/1989
Operations Manager (Temporary contract)	Salary	Appointed 17/07/2023 Ended 07/06/2024
Finance Manager	Salary	Appointed 25/10/2010

* Date appointed to position refers to the date appointed by the predecessor abolished Water Board from which employee was transferred to Lower Burdekin Water on 18 February 2015.

Remuneration

Remuneration policy for the Authority's key executive management personnel is set by Lower Burdekin Water. The remuneration and other terms of employment for the key executive management personnel are specified in individual employment contracts.

LOWER BURDEKIN WATER
For the year ended 30 June 2024

Remuneration expenses for key executive management personnel comprises the following components:

- Short term employee benefits which include
 - * Base - consisting of base salary, allowances and leave entitlements paid and provided for the entire year or for that part of the year during
 - * Non-monetary benefits - consisting of provision of a vehicle together with fringe benefits tax applicable to the benefit.
- Long term employee benefits including long service leave accrued.
- Post employment benefits include superannuation contributions.
- Redundancy payments are not provided for within individuals contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice of termination, regardless of the reason of termination.
- Performance bonuses are not paid under contracts in place.
- Total fixed remuneration is calculated on a 'total cost' basis and includes the base and non-monetary benefits, long term employee

1 July 2023 - 30 June 2024

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses	Non-Monetary Benefits				
	\$	\$				
Executive Officer	211,492	Full private use of company vehicle subject to FBT, Reportable Employee FBT amount was \$24,323	Accrued long service leave provision amount was \$3,513.92	25,216	-	264,545
Operations Manager (Temporary Contracted)	116,800	Full private use of company vehicle subject to FBT, Reportable Employee FBT amount was \$13,061	Accrued long service leave provision amount was \$1,958.37	18,800	-	150,619
Operations Manager	139,746	Full private use of company vehicle subject to FBT, Reportable Employee FBT amount was \$12,744	Accrued long service leave provision amount was \$3,606.19	22,525	0	178,621
Finance Officer	127,800	Full private use of company vehicle subject to FBT, Reportable Employee FBT amount was \$14,270	Accrued long service leave provision amount was \$3,155.70	19,964	-	165,190
Total Remuneration	595,838	64,398	12,234	86,505	-	758,975

LOWER BURDEKIN WATER
For the year ended 30 June 2024

1 July 2022 - 30 June 2023

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post Employment Expenses	Termination Benefits	Total Expenses
	Monetary Expenses \$	Non-Monetary Benefits \$				
Executive Officer	205,882	Full private use of company vehicle subject to FBT, Reportable Employee FBT amount was \$20,324	Accrued long service leave provision amount was \$1,171	26,781	-	242,939
Technical Services Manager	91,512	Full private use of company vehicle subject to FBT, Reportable Employee FBT amount was \$5,889	Accrued long service leave provision amount was \$773	14,983	-	110,154
Operations Manager	140,615	Full private use of company vehicle subject to FBT, Reportable Employee FBT amount was \$10,959	Accrued long service leave provision amount was \$1,203	28,502	-	180,575
Finance Officer	118,344	Full private use of company vehicle subject to FBT, Reportable Employee FBT amount was \$16,048	Accrued long service leave provision amount was \$1,011	23,953	-	159,356
Total Remuneration	556,352	53,220	4,158	94,219	-	693,024

LOWER BURDEKIN WATER
For the year ended 30 June 2024

B2-2 Related Party Transactions

Transactions with people/entities related to Key Management Personnel (KMP).

The Authority is in the process of entering into a sale contract and works deed for a parcel of land with a KMP. The Contract purchase price is \$10,129.

Several KMP had numerous revenue based transactions throughout the reporting period. Since these transactions are in the ordinary course of business, they have not been disclosed.

	2024 \$	2023 \$
B2-3 Supplies and Services		
<i>Administration</i>		
Overheads	793,866	840,273
<i>Operations</i>		
Vehicles	120,019	118,812
Equipment	259,378	323,450
Pump Stations	1,821,108	1,292,553
Channels	29,174	13,410
Research and Development	103,504	289,610
Water Allocation Charges	244,325	767,775
<i>Maintenance</i>		
Vehicles	27,850	25,368
Equipment	75,401	102,047
Pump Stations	176,684	75,439
Channels	116,780	101,111
Dams	374	850
Aquifers	-	2,811
Workshop	45,021	39,503
Total	<u><u>3,813,485</u></u>	<u><u>3,993,013</u></u>

External Audit Fees

Total External Audit Fees payable to Queensland Audit Office relating to the 2023-24 period are forecasted to be \$44,000. There are no non-assurance services included in this amount.

Accounting Policy

For a transaction to be classified as supplies and services, the value of goods and services received by the Authority must be of approximately equal value to the value of the consideration exchanged for those goods or services.

Depreciation

Depreciation were incurred in respect of

Buildings	47,171	49,315
Plant & Equipment	368,355	329,574
Infrastructure	1,725,417	1,747,829
Total	<u><u>2,140,944</u></u>	<u><u>2,126,718</u></u>

Loss on disposal/remeasurement of assets

Net loss from disposal of property, plant and equipment	24,386	166,499
Net loss from disposal of infrastructure	2,246	-
Total	<u><u>26,632</u></u>	<u><u>166,499</u></u>

C1 Cash and Cash Equivalents

Operating Fund Bank Account	1,663,967	523,383
Online Interest Account	31,245	2,575,213
Leave Provision Account	910,275	874,168
Northern Development Account	7,347,763	7,100,807
Southern Development Account	1,042,071	993,619
Petty Cash	-	200
Total	<u><u>10,995,521</u></u>	<u><u>12,067,389</u></u>

Online Interest Account - \$2.5m was transferred to the Operating Fund for fund capital projects throughout 2023/24.

Accounting Policy

Cash and cash equivalents include all cash and cheques receipted at 30 June as well as deposits held at call with financial institutions. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. Investments qualify as cash equivalents if they have a short maturity of three months or less from the date of acquisition.

LOWER BURDEKIN WATER
For the year ended 30 June 2024

	2024 \$	2023 \$
C2 Receivables		
Trade Receivables and Accruals	866,805	547,130
Provision for Impairment	(249)	(249)
GST Receivable	41,800	92
Total	<u>908,356</u>	<u>546,973</u>
C3 Contract Assets		
Contract Assets	16,600	-
Total	<u>16,600</u>	<u>-</u>

Accounting Policy

Trade debtors are recognised at the amounts due at the time of sale or service delivery. Settlement of these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed periodically with provision being made for expected credit losses. The loss allowance is estimated based on the probability and timing of potential defaults, and takes into account forecasts of future economic conditions as well as past events. All known bad debts were written-off as at 30 June.

Contract assets arise from contracts with customers, and are transferred to receivables when the Authorities right to payment becomes unconditional.

Non Current Assets

	2024 \$	2023 \$
C4 Intangible Assets		
Purchase of Additional 45,000 ML of Water Allocation	4,500,000	4,500,000
Total	<u>4,500,000</u>	<u>4,500,000</u>

Accounting Policy

Intangible assets with a cost or other value greater than \$100,000 are recognised in the statement of financial position, items with a lesser value being expensed. Each intangible asset is amortised over its estimated useful life to the Authority, less any anticipated residual value. The residual value is zero for all the Authority's intangible assets. If the useful life of the intangible asset is indefinite then the asset is not amortised.

Purchase of Additional 45,000 ML Water Allocation above the allocations gazetted in 1992

The purchase of an additional 45,000 megalitres of water allocation above the allocations gazetted in 1992 was based on a commercial contractual agreement. This allocation is non-transferrable under current provisions contained within the *Water Act 2000*. The asset has been recorded at cost.

The intangible asset is the purchase price for an indefinite life licence for water allocation from the board of the Department of Regional Development, Manufacturing and Water. The licence for water allocation is tradeable at market value. The water volume is replenished every year from the Burdekin Dam.

The intangible asset is assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Authority determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Intangible assets are principally assessed for impairment by reference to the actual and expected continuing use of the asset by the Authority. The recoverable amount is determined as the higher of the asset's fair value less costs to sell and its value-in-use.

LOWER BURDEKIN WATER
For the year ended 30 June 2024

C5 Property, Plant and Equipment Reconciliation

	Land 2023	Buildings 2023	Infrastructure 2023	Plant & Equipment 2023	Capital Works in Progress 2023	TOTALS 2023
	\$	\$	\$	\$	\$	\$
Gross	439,249	1,966,035	94,034,961	4,255,663	7,647,254	108,343,163
Less: Accumulated depreciation	-	(774,860)	(39,025,539)	(2,038,587)	-	(41,838,986)
Less: Accumulated impairment losses	-	-	-	-	-	-
Carrying amount at 30 June 2023	439,249	1,191,176	55,009,421	2,217,077	7,647,254	66,504,176
Carrying amount at 1 July 2022	402,549	1,194,026	51,779,446	1,925,033	4,078,841	59,379,894
Acquisitions	-	-	142,004	882,928	5,301,975	6,326,906
Disposals	-	-	(166,504)	(261,310)	-	(427,814)
Transfers between asset classes	-	-	1,733,561	-	(1,733,561)	-
Revaluation Increment / (Decrement)	36,700	46,465	3,268,737	-	-	3,351,902
Depreciation	-	(49,315)	(1,747,829)	(329,574)	-	(2,126,718)
Carrying amount at 30 June 2023	439,249	1,191,176	55,009,421	2,217,077	7,647,254	66,504,176
	Land 2024	Buildings 2024	Infrastructure 2024	Plant & Equipment 2024	Capital Works in Progress 2024	TOTALS 2024
	\$	\$	\$	\$	\$	\$
Gross	542,699	1,770,000	115,418,763	4,325,353	13,022,537	135,079,352
Less: Accumulated depreciation	-	(969,149)	(44,484,401)	(2,390,396)	-	(47,843,948)
Carrying amount at 30 June 2024	542,699	800,851	70,934,362	1,934,955	13,022,537	87,235,403
Carrying amount at 1 July 2023	439,249	1,191,176	55,009,421	2,217,077	7,647,254	66,504,176
Acquisitions	-	-	461,555	110,944	5,615,365	6,187,864
Disposals	-	-	(28,873)	(24,711)	-	(53,584)
Transfers between asset classes	-	-	240,082	-	(240,082)	-
Revaluation Increment / (Decrement)	103,450	(343,153)	16,977,595	-	-	16,737,891
Depreciation	-	(47,171)	(1,725,417)	(368,355)	-	(2,140,944)
Carrying amount at 30 June 2024	542,699	800,851	70,934,362	1,934,955	13,022,537	87,235,403

Accounting Policy

The capital works in progress relate to Infrastructure Major Works (\$12,371,513) and other smaller capital projects.

Acquisition of Assets

Historical cost is utilised for all property, plant and equipment acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use, including architects' fees and engineering design fees. However, any training costs are expensed as incurred.

Assets acquired at no cost or for nominal consideration are recognised at their fair value at date of acquisition in accordance with AASB 116 *Property, Plant and Equipment*

Recognition of Property, Plant & Equipment

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Buildings	\$5,000
Infrastructure	\$5,000
Plant & Equipment	\$5,000
Land	\$1

For any minor plant and equipment assets costing between \$1,000 to \$5,000 these assets will be included on the depreciation schedule in a low value pool. These assets will not be subject to a Capital Expenditure Authorisation approval prior to purchase and will be fully depreciated in the relevant financial year in which the asset is purchased. Minor individualised computer equipment that falls into the \$1,000 to \$5,000 range i.e. laptop will not be included in the low value pool and instead will be shown as a separate line item in the depreciation schedule and will not be subject to Capital Expenditure Authorisation approval.

Items with a lesser value are expensed in the year of acquisition excluding flow meters costing less than \$5,000 will be included on the depreciation schedule in the infrastructure asset class.

Expenditure is capitalised where it is probable that the expenditure will produce future service potential for the Authority. Subsequent expenditure is only added to an asset's carrying amount if it increases the service potential or useful life of that asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

Plant and equipment is measured at historical cost in accordance with Queensland Treasury's Non Current Asset Policies for the Queensland Public Sector. The carrying amounts for such plant and equipment is not materially different from their fair value.

LOWER BURDEKIN WATER
For the year ended 30 June 2024

Depreciation

Land is not depreciated as it has an unlimited useful life.

Buildings and property, plant and equipment are depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to the Authority.

The estimation of useful lives of assets for any newly acquired assets between full comprehensive asset revaluations will be determined based on the contracted asset revaluation company's advice, manufacturer's advice, historical experience with similar assets as well as considerations such as asset turnover practices. Reassessment of useful lives are undertaken annually by the Authority. Any consequential adjustments to remaining useful life estimates are implemented prospectively.

Assets under construction (work-in-progress) are not depreciated until they reach service delivery capacity. Service delivery capacity relates to when construction is complete and the asset is first put to use or is installed ready for use in accordance with its intended application. These assets are then reclassified to the relevant classes with property, plant and equipment.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate and are depreciated accordingly.

Any expenditure that increases the original capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the Authority.

For each class of depreciable asset the following depreciation rates are used:

Buildings	2-43 years
Plant & Equipment	1-35 years
Infrastructure	20-100 years

Measurement of Asset Revaluation

Property, plant and equipment classes measured at fair value are revalued on an annual basis either by appraisals undertaken by an independent professional valuer or internal expert, or by the use of appropriate and relevant indices in years intervening comprehensive revaluations. A comprehensive revaluation was completed in May 2024 with a date of effect 30/06/2024. Management have undertaken an extensive review of the revaluation process, and reported to the Board regarding the outcomes and recommendations.

If a particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal.

Revaluation Fair Value Measurement of Infrastructure, Land and Buildings

The determination of LBW's Fair Values by independent professional valuers (Marsh Valuations Services) was based on following approach inline with AASB116 and the measurement of which is defined in AASB 13 This is usually determined using a sales based market value approach. However, the methodology adopted in determining the fair value of the asset will depend on the level of specialisation of the asset, the existence of a market for the asset and the existence of market evidence. There are instances where assets are not sold except as part of a continuing business. Where a market value approach is not suitable an alternative approach is the cost approach. These approaches are discussed below.

MARKET APPROACH

This approach is based on available sales evidence using either the direct comparison, summation or income approaches. The direct comparison and summation methods involve the inspection and analysis of sales evidence and comparisons with the subject property taking into account matters such as method of construction, building area, condition, age, land area and location. The Authority notes the direct comparison approach has been utilised in the assessment of fair value of land assets and is based on assumptions as to whether an active market exists or whether this land is subject to any restrictions or sale. Due to the general characteristics of land held by the Authority and the absence of an active market, this is deemed a Level 3 input.

LOWER BURDEKIN WATER
For the year ended 30 June 2024

COST APPROACH (CURRENT REPLACEMENT COST)

There are circumstances where the market approach is not suitable as the asset is rarely sold except as part of the continuing business. Alternatively, the improvements are of a specialised nature and the market buying price would differ materially to the market selling price as the asset is normally brought as a new asset but only be sold for its residual value. Under these circumstances the most appropriate method is the cost approach.

Assets for which the cost approach may be suitable include going concern assets such as specialised buildings, infrastructure or other assets that cannot be reliably estimated due to the lack of market evidence. If the asset is leased on a commercial basis there may be the opportunity to undertake the valuation on a market basis.

The infrastructure and building asset valuations have been undertaken on a cost approach. The cost approach is deemed a Level 3 input. Under this approach, the following process has been adopted.

Inputs to the valuation include the design and construction, average cost of construction, condition and consumption score for each component. As these are supported by observable evidence obtained via inspection and market evidence they have been classified as Level 2 inputs. The unobservable inputs under the assess the level of remaining service potential required extensive professional judgement and impacted significantly the final determination of fair value. As such, these assets were classified as being valued using Level 3 valuation inputs.

The cost approach is based on determining the replacement cost of the modern equivalent asset and then adjusting for the level of consumed future economic benefit and impairment. This approach estimates the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. Under this approach, the cost to replace the asset is calculated and then adjusted to take into account any accumulated depreciation.

Indicators of Impairment and Determining Recoverable Amount

As a not-for-profit entity, certain property, plant and equipment of the Water Authority are held for the continuing use of its service capacity, and not for the generation of cash flows. Such assets are typically specialised in nature. In accordance with AASB 136, where such assets measured at fair value under AASB 13, that fair value (with no adjustment for disposal costs) is effectively deemed to be the recoverable amount. Consequently, impairment does not apply to such assets unless they are measured at cost.

For all property, plant and equipment and intangible assets to which impairment applies, the Water Authority assesses for indicators of impairment annually. Where indicators exist, impairment is accounted for differently, depending on the type of asset, as follows.

- Plant and equipment and intangible assets, which are measured at cost, are reduced to the asset's recoverable amount, being the higher of the asset's fair value less costs of disposal and its value in use. The adjustment is recorded as an impairment loss.

- For non-specialised property measured at fair value, the only difference between the asset's fair value and its recoverable amount is the costs of disposal. Consequently, the fair value of the asset will materially approximate its recoverable amount where the disposal costs are negligible. Where disposal costs are not negligible, the asset is reduced to its recoverable amount via a revaluation decrement.

Recognising Impairment Losses

For assets measured at fair value, the impairment loss is treated as a revaluation decrease and offset against the asset revaluation surplus of the relevant class to the extent available. Where no asset revaluation surplus is available in respect of the class of asset, the loss is expensed in the statement of comprehensive income as a revaluation decrement. For assets measured at cost, an impairment loss is recognised immediately in the statement of comprehensive income.

Reversal of Impairment Losses

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

For assets measured at fair value, to the extent the original decrease was expensed through the statement of comprehensive income, the reversal is recognised in income, otherwise the reversal is treated as a revaluation increase for the class of asset through asset revaluation surplus.

For assets measured at cost, impairment losses are reversed through income.

LOWER BURDEKIN WATER
For the year ended 30 June 2024

	2024 \$	2023 \$
C6 Payables		
Trade Payables and Accruals	1,498,557	1,668,084
	<u>1,498,557</u>	<u>1,668,084</u>

Accounting Policy

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

C7 Borrowings - Current

Queensland Treasury Corporation Borrowings	247,988	247,988
	<u>247,988</u>	<u>247,988</u>

C7 Borrowings - Non-current

Queensland Treasury Corporation Borrowings	4,942,730	5,190,808
	<u>4,942,730</u>	<u>5,190,808</u>

Total Provision for Borrowings	CF2	<u>5,190,719</u>	<u>5,438,796</u>
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Accounting Policy

Borrowings are initially recognised at fair value, plus any transaction costs directly attributable to the borrowings, then subsequently held at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of a financial liability to the amortised cost of the liability. The fair value of borrowings are subsequently measured at market value.

Any borrowing costs are added to the carrying amount of the borrowing to the extent they are not settled in the period in which they arise. Borrowings are split between current and non-current liabilities using the principles set out in the foreword and preparation information section of this financial report.

All borrowings by the Authority are from the Queensland Treasury Corporation (QTC), for terms of 20 years. There have been no defaults or breaches of the loan agreement. No assets have been pledged as security for any borrowings.

The interest rate for the three loan borrowings are 2.06%, 2.21% and 2.35%. No interest has been capitalised during the current or comparative period.

C8 Provision for Employee Benefits - Current

Annual Leave	216,715	226,606
Long Service Leave	249,647	404,914
Personal Leave	55,480	53,475
Employee related on-costs	4,288	9,088
	<u>526,129</u>	<u>694,082</u>

C8 Provision for Employee Benefits - Non-current

Long Service Leave	1,031	4,967
	<u>1,031</u>	<u>4,967</u>

Total Provision for Employee Benefits		<u>527,160</u>	<u>699,049</u>
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LOWER BURDEKIN WATER
For the year ended 30 June 2024

Accounting Policy

Provisions are recorded when the Authority has a present obligation, either legal or constructive as a result of a past event. They are recognised at the amount expected at reporting date for which the obligation will be settled in a future period. Where the settlement of the obligation is expected after 12 or more months, the obligation is discounted to the present value using an appropriate discount rate.

Personal Leave

Prior history indicates that on average, personal leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused personal leave entitlements is recognised except for the one employee to whom personal leave vests, where the personal leave expense is recognised as it accrues.

Long Service Leave

A liability for long service leave is measured as the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The interest rates, as at the reporting date, of Commonwealth Government guaranteed securities are used to discount the estimated future cash outflows to their present value. The Authority has chosen to calculate the value of the liability based on current pay rates and projected future increases in those rates and also includes related employee on costs. The liability is treated as a provision of the Authority.

Annual Leave

A liability for annual leave is recognised and based on current wage and salary levels with an additional allowance being made for annual leave loading and superannuation. The liability is treated as a provision of the Authority.

	2024 \$	2023 \$
C9 Other Current Liabilities		
Accrued Expenses	16,494	15,456
Contract Liabilities	123,674	406,138
	140,168	421,593

C10 Asset Revaluation Surplus by Class:

	Land \$	Buildings \$	Infrastructure \$	Total \$
Balance 1 July 2022	-	722,705	11,486,394	12,209,099
Revaluation Increment	36,700	46,465	3,268,737	3,351,902
Carrying amount at 30 June 2023	36,700	769,169	14,755,131	15,561,001
	Land \$	Buildings \$	Infrastructure \$	Total \$
Balance 1 July 2023	36,700	769,169	14,755,131	15,561,001
Revaluation Increment	103,450	(343,153)	16,977,595	16,737,891
Carrying amount at 30 June 2024	140,150	426,016	31,732,726	32,298,892

LOWER BURDEKIN WATER
For the year ended 30 June 2024

D1 Commitments and Contingencies

The Authority currently implements a cash reserve balance contingency that is used to fund capital projects and is set at a level which covers five months of budgeted expenses (excluding non cash items i.e. depreciation) at any one time including all accrued employee benefits. This acts as a risk mitigation strategy.

The Authority is a party to the Bindal People Native Title determination application to the Federal Court. The Authority owns and operates water distribution infrastructure on lands within the application area. The Authority joined on the first of August 2017 as a co-respondent to Federal Court proceedings QUD203/2016 and as at 30 June 2024 the applicants are yet to establish connectivity. It is not possible to make a reliable estimate of the final amount payable. The Authority will continue to work through this process over the coming years.

As at 30 June 2024 there is one capital project that has contractual commitments that are ongoing. This project is scheduled to be completed in the 2024-25 financial year. LBW expects to receive a further \$40,000 as per the contract, and will be incurring further costs.

The Authority entered into the whole of government electricity contract for selected pump stations in June 2021. The contract commenced in July 2021 and will finish in December 2028. During the contractual period neither party may terminate or has any right to terminate or obtain any order with the effect of terminating the contract. Following the expiration of the term of the contract the Authority will need to secure another electricity retail contract with a retail provider. Given the rate in which other entities are moving away from the regulated tariffs, it is reasonable to believe that the contestable energy retail market will be a lot stronger at the end of the contractual period than it is currently. The anticipated forecasted annual savings should limit the financial risk to ensure sufficient funds are available to cater for any excess or shortfall charges if they are incurred.

D2 Events Occurring after Balance Date

There are no events occurring after balance date.

D3 Climate Related Risk Disclosure

The State of Queensland, as the ultimate parent of the Water Authority, has published a wide range of information and resources on climate related risks, strategies and actions accessible via <https://www.energyandclimate.qld.gov.au/climate>

The Queensland Sustainability Report (QSR) outlines how the Queensland Government measures, monitors and manages sustainability risks and opportunities, including governance structures supporting policy oversight and implementation. To demonstrate progress, the QSR also provides time series data on key sustainability policy responses. The QSR is available via Queensland Treasury's website at <https://www.treasury.qld.gov.au/programs-and-policies/queensland-sustainability-report>

No adjustments to the carrying value of assets held by the Water Authority were recognised during the financial year as a result of climate-related risks impacting current accounting estimates and judgements. No other transactions have been recognised during the financial year specifically due to climate-related risks impacting the Water Authority.

Water authorities who are impacted by material climate related risks should refer to the guidance in Financial Reporting Requirement 1A.

<https://www.treasury.qld.gov.au/resource/financial-reporting-requirements-queensland-government-agencies/>

	2024	2023
	\$	\$
CF1 Reconciliation of Operating Result to Net Cash from Operating Activities		
Operating surplus/(deficit)	4,205,451	2,151,248
Non-Cash items:		
Depreciation expense	2,140,944	2,126,718
Gains on disposal of property, plant and equipment	(2,000)	(134,459)
Loss on disposal of property, plant and equipment	24,386	166,499
Loss on disposal of infrastructure	2,246	-
Changes in operating assets and liabilities:		
Decrease in trade debtors	(266,091)	308,716
Decrease in contract assets	(16,600)	441,522
(Increase)/decrease in GST payable/receivable	(41,708)	68,096
(Increase) in inventories	(32,638)	(6,138)
(Increase)/decrease in other current assets	(2,444)	1,866
Increase/(decrease) in trade creditors	(450,951)	432,833
Increase in provision for employee benefits	(171,890)	(67,608)
Net cash from operating activities	5,388,704	5,489,291

LOWER BURDEKIN WATER
For the year ended 30 June 2024

CF2 Changes in Liabilities Arising from Financing Activities

2024

	Opening Balance	Non-cash changes			Cash flows		Closing balance
		Transfers to/(from) other Queensland Government entities	New leases acquired	Other [specify]	Cash received	Cash repayments	
	\$	\$	\$	\$	\$	\$	
Borrowings	5,438,796	-	-	-	-	(248,077)	5,190,719
Total	5,438,796	-	-	-	-	(248,077)	5,190,719

2023

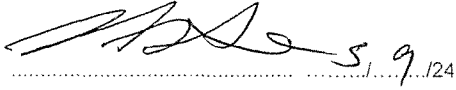
	Opening Balance	Non-cash changes			Cash flows		Closing balance
		Transfers to/(from) other Queensland Government entities	New leases acquired	Other [specify]	Cash received	Cash repayments	
	\$	\$	\$	\$	\$	\$	
Borrowings	5,681,078	-	-	-	-	(242,282)	5,438,796
Total	5,681,078	-	-	-	-	(242,282)	5,438,796

LOWER BURDEKIN WATER
For the year ended 30 June 2024

CERTIFICATE OF LOWER BURDEKIN WATER

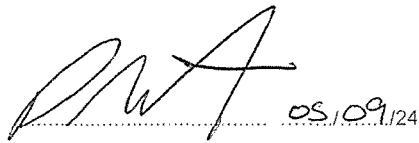
These general purpose financial statements have been prepared pursuant to s.62(1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with s.62(1)(b) of the Act we certify that in our opinion:

- a) The prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) The financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Lower Burdekin Water for the financial period ended 30 June 2024 and of the financial position of the Authority as at the end of that year, and
- c) We acknowledge responsibility under s.7 and s.11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system on internal controls and risk management processes with respect to financial reporting throughout the reporting period.



..... 05/09/24

H. Stanton
CHAIRPERSON



..... 05/09/24

D. Sartori
EXECUTIVE OFFICER

INDEPENDENT AUDITOR'S REPORT

To the Board of Lower Burdekin Water

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Lower Burdekin Water.

The financial report comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including material accounting policy information, and the management certificate.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 30 June 2024, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards – Simplified Disclosures.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the entity for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards – Simplified Disclosures, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Board is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of my auditor's report.

Report on other legal and regulatory requirements

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2024:

- a) I received all the information and explanations I required.
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.



Lisa Fraser
as delegate of the Auditor-General

23 September 2024
Queensland Audit Office
Brisbane